REMARKS

Favorable reconsideration is respectfully requested.

The claims, upon entry in the above amendment, will be 50-57 and 59-68. The above amendment incorporates the features of claim 58 and claim 50. Claim 50 is now in "consisting essentially of" format. All of the remaining claims ultimately depend on claim 50.

It is noted that claim 58 has not been rejected in any of Official Action paragraphs 2 to 6, so the references in these paragraphs are clearly inapplicable to present method claims which essentially are based on claim 58.

Claims 31-38 and 40-68, stand rejected under 35 U.S.C. 102(e) as anticipated by Le et al (US 6,169,058).

This rejection is respectfully traversed.

As apparent from claim 50, the present process is for reducing water permeability more than oil permeability in a subterranean reservoir by injecting into said reservoir an emulsion of an aqueous gelant in oil, wherein the gelant comprises one or more cross-linking agents.

Le (US 6,169,058) relates a method for <u>fracturing</u> a formation so that the throughput (productivity) increases. This method is performed by <u>injecting e.g. a gel or viscous</u> solution at a pressure above the fracturing pressure of the formation. In Le it is described that the fracturing fluid may consist of a water soluble polymer solution in an emulsion. Subsequently, an amount of proppant is pumped in order to ensure that the cracks are kept open by back production.

The principle with fracturing is to increase the production, especially from low permeability areas, in that the <u>fractures increase permeability</u>. See col. 1, lines 18 to 22 and 30 to 35.

The present invention, in contrast, relates to a method for <u>reducing the water permeability</u> (and thereby increasing oil production) by <u>reducing</u> the permeability in water producing zones more than oil producing zones (DPR or Disproportionate Permeability Reduction).

In the Final Rejection, it is stated that the whole concept of Le is to reduce water permeability when the fracture is formed.

In the present case, however, the selectivity is obtained only by the gelant concentration in the oil as pointed out on page 3, lines 22 to 24.

No fracturing is required in the present method and the "consisting essentially of" format excludes the uses of proppants and fracturing which are essential features of Le.

For the foregoing reasons, it is apparent that the rejection on Le is untenable and should be withdrawn.

No further issues remaining, allowance of this application is respectfully requested.

If the Examiner has any comments or proposals for expediting prosecution, please contact undersigned at the telephone number below.

Respectfully submitted,

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